

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 2/23/2012

Action Requested By:
Community
Development

Agenda Item Type
Resolution

Subject Matter:

Agreement

Exact Wording for the Agenda:

Resolution authorizing the Mayor to enter into a contract with Franklin Hills L.P. for the use of \$250,000 in HOME funds for the new construction of Franklin Hills Apartments located at Millenium Drive, Huntsville, Alabama.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

This resolution will allow the Mayor to enter into a contract with Franklin Hills L.P. for the use of \$250,000 in HOME funds for the new construction of Franklin Hills Apartments. The project is a Senior Housing facility and will include 56 units located at Millenium Drive, Huntsville, Alabama.

Associated Cost: 0

Budgeted Item: Yes

MAYOR RECOMMENDS OR CONCURS: Select...

Department Head: 

Date: 2/15/2012

ROUTING SLIP CONTRACTS AND AGREEMENTS

Originating Department: Community Development

Council Meeting Date: 2/23/2012

Department Contact: Ken Benion

Phone # 256-427-5427

Contract or Agreement: Agreement

Document Name: Agreement between City of Huntsville and Franklin Hills, L.P. for HOME Investment ...

City Obligation Amount:

Total Project Budget:

Uncommitted Account Balance:

Account Number:

Procurement Agreements

Select...

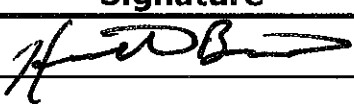
Select...

Grant-Funded Agreements

Federal HUD

Grant Name:

HOME Investment Partnership Grant

Department	Signature	Date
1) Originating		<u>2/15/12</u>
2) Legal		
3) Finance		
4) Originating		
5) Copy Distribution		
a. Mayor's office (2 copies)		
b. Clerk-Treasurer (Original & 2 copies)		
c. Legal (1 copy)		

RESOLUTION NO. 12-_____

WHEREAS, the City of Huntsville, Alabama, received a grant under Title I of the Housing and Community Development Act of 1974, as amended, from the U.S. Department of Housing and Urban Development (HUD),

BE IT RESOLVED, by the City Council of the City of Huntsville, Alabama, that the Mayor of the City of Huntsville is hereby authorized, requested and directed to enter into the Agreement between the City of Huntsville, Alabama and Franklin Hills, L.P., said agreement being substantially similar in words and figures to that document identified as "Agreement Between the City of Huntsville, Alabama and Franklin Hills, L.P. for Home Investment Partnership Funds" consisting of thirty-five (35) pages, including exhibit(s) A, B, C, & D, with the signature of the Council President or President Pro tem, and the date February 23, 2012 appearing on the margin of the first page, a copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville.

Be it Further Resolved, that approval and execution of this agreement as referenced above shall fulfill the previously approved agreement, Resolution 11-167 for the commitment of City of Huntsville Home Funds approved March 10, 2011.

ADOPTED this the 23rd day of February, 2012.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 23rd day of February, 2012.

Mayor of the City of Huntsville,
Alabama

**AGREEMENT BETWEEN THE
CITY OF HUNTSVILLE, ALABAMA AND
FRANKLIN HILLS, L.P. FOR
HOME INVESTMENT PARTNERSHIP FUNDS**

THIS AGREEMENT (this "Agreement"), entered into this ____ day of _____, 2012, by and between the City of Huntsville, Alabama, a municipal corporation ("City"), and Franklin Hills, L.P., the ("Owner");

WHEREAS, the City is the recipient of HOME Investment Partnership (HOME) funds granted by the U.S. Department of Housing and Urban Development (HUD) under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990 (P.L. 101-625), as amended; and

WHEREAS, the City has received all approvals to utilize HOME Investment Partnership (HOME) funds to assist the OWNER in the construction of a senior housing and services facility, known as Franklin Hills Apartments.;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

PART I

1. PURPOSE AND SCOPE OF SERVICES:

- A. The Owner shall use HOME funds, provided by the City for the new construction of Franklin Hills Apartments on property identified in Exhibit A located at Millenium Drive, Huntsville, Alabama ("the Project").
- B. The Owner shall cause to provide affordable *rental* housing for a minimum period of twenty (20) years from the time when all eight (8) HOME assisted units associated with this project, are first occupied by eligible occupants (the "Affordability Monitoring Period"). The units will be designated as "floating" units. Floating units are changed to maintain conformity with the requirements during the period of affordability so that the total number of housing units remains the same, and each substituted unit is comparable in terms of size, features, and number of bedrooms to the originally designated HOME-assisted unit. Upon rent up, 20% of HOME assisted units will be leased to households under 50% median family income over the term of this agreement. Owner shall designate in writing to the City's Community Development Director which HOME units are designated low rent and which are designated high rent upon rent up. Owner shall notify the Community Development Director within 2 weeks of any change in floating HOME unit location. Owner shall provide biannual rent roll of HOME units to the Community Development Director beginning at rent up and for the life of the affordability period. According to HOME regulations, rental housing assisted with HOME Investment Partnership funds shall have a deed restriction placed upon it, requiring adherence to the occupancy and rent restrictions of 24 CFR 92.252, with the effective term of said instrument in accordance with 24 CFR 92.252(e). Attached hereto as Exhibit B is the form of deed restriction to be recorded.
- C. Development of any architectural designs for the project shall be the responsibility of the OWNER.

- D. The City shall provide technical assistance to the OWNER concerning compliance with the terms of this Agreement. The OWNER shall be responsible for all sub-contractual arrangements. All procedures shall be carried out in accordance with all Federal, State and local standards, and shall be monitored by the City.
- E. The Project shall be completed in compliance with all applicable state and local building codes; and upon completion, shall be operated in compliance with all applicable state and local codes and ordinances. The OWNER agrees the facilities shall be used solely for the purpose of providing affordable rental housing as detailed in Part I.1.A of this Agreement.
- F. Owner will comply with NOTICE OF COMPLETION In accordance with Chapter 1, Title 39, Code of Alabama, 1975

2. **TIME OF PERFORMANCE:**

The OWNER shall perform according to the following schedule:

		<u>Deadline</u>
1	Execute Contract for Project	February 23, 2012
2	Acquisition of Property	February 24, 2012
3	Pre-construction Conference	February 24, 2012
4	Project Start Date	February 24, 2012
5	Construction Completion Date	February 24, 2013
6	Commence Lease-Up	March 1, 2013
7	Lease Up Complete	September 1, 2013
8	Affordability Monitoring Period	20 years

This schedule is subject to change by mutual agreement of both parties in writing.

3. **PROJECT BUDGET:**

- A. The Total Project Budget for the Senior Facility is approximately \$7,302,000. HOME investment in the project will be \$250,000 or approximately 3% of the total project cost. HOME funds will therefore be leveraged approximately 30 to 1.
- B. Eligible costs associated with this agreement will include predevelopment soft costs including but not limited to: architectural design, engineering, legal and appraisal fees, environmental audit, loan fees and developer fees. Eligible development costs will also include hard development costs shall include site preparation, site improvements or hard construction costs eligible under the HOME regulations.

4. **COMPENSATION AND METHOD OF PAYMENT:**

The City shall pay and the OWNER agrees to accept in full no more than \$250,000.00 (dollars and no\100) (*hereinafter "Loan"*) for performance under this Agreement, as follows:

- A. Based on the approved budget, partial payments shall be made upon presentation

of (i) purchase agreements and invoices, and/or (ii) other source documents. Payments will be made within thirty (30) days for eligible expenses actually incurred by the OWNER, and not to exceed actual cash requirements.

- B. All payments under this agreement are subject to receipt by the City of sufficient federal funds for the HOME Investment Partnership program. HOME Investment Partnership funds shall be drawn from the U.S. Treasury by the City through the Integrated Disbursement and Information System (IDIS). The City shall retain exclusive direct access rights to the IDIS system. All access to the IDIS system will be by duly authorized persons designated by the City as approved by HUD. Any termination, reduction or delay of receipt of HOME Investment Partnership funds to the City shall, at the option of the City, result in the termination, reduction or delay of HOME Investment Partnership funds to the OWNER.
- C. Funds provided to the OWNER shall be expended within 10 business days from the date of disbursement to the OWNER by the City. Any funds not disbursed by the OWNER in the aforementioned time period shall be returned to the City and will be deposited in the U.S. Treasury, HOME Investment Partnership Trust Account. Any interest earned on cash advances from the U.S. Treasury and/or City of less than one hundred dollars (\$100.00) per year may be retained by the OWNER and used for project expenses. Any interest in excess of one hundred dollars (\$100.00) per year shall be remitted promptly to the City.
- E. Payments of principal and interest shall be as follows: payments of interest only at the rate of one half percent (0.5%) per annum shall be payable monthly thereafter beginning March 23, 2013 and on the same day of each successive month thereafter up to and including March 23, 2015 at which time all accrued interest and outstanding principal shall be paid in full.

5. **TERMS AND CONDITIONS:**

- A. The OWNER agrees to comply with all applicable federal, state, and local laws and regulations governing the funds provided under this Agreement. Said HOME regulations are published in 24 CFR Part 92.
- B. The City shall have no responsibility or liability for the maintenance, operation or program funding for the OWNER.
- C. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The OWNER shall at all times remain an independent contractor with respect to the services to be performed under this Agreement. The City shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance as the OWNER is an independent contractor.
- D. During the period of this Agreement, effective as of the start of the Project, the OWNER shall, at its own expense, procure and maintain all-risk property damage and liability insurance. For the term of this agreement, the OWNER shall

list the City as a loss payee on said property insurance. Property damage coverage shall not be less than the current market value of the property. Liability coverage shall include contractual insurance as well as comprehensive form insurance, and shall provide coverage of not less than \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence, and \$100,000 property damage. Proof of insurance shall be shown to the City by furnishing a copy of the certificate of insurance issued by an insurance company licensed to do business in the State of Alabama. The certificate of insurance shall include a statement guaranteeing that the insurance company shall notify Community Development within 30 days of the lapse of said policy.

- E. Until the expiration of the Affordability Monitoring Period, the OWNER shall, in a manner satisfactory to the City, fulfill its stated purpose as outlined in Part I.1.A of this Agreement. HOME affordability requirements will expire twenty (20) years after the date that the final HOME assisted unit is first occupied by an eligible resident, unless legal action causes it to expire for cause prior to that date.
- F. The OWNER shall not sell, assign or transfer any legal or equitable interest in the property at any time prior to the expiration of the Affordability Monitoring Period without written concurrence of the City. If, (1) the OWNER does transfer without written concurrence of the City, the OWNER shall pay to the City the outstanding balance of the loan relating to the property sold or, if (2) the OWNER discontinues its program, then OWNER shall pay to the City the outstanding balance of the loan then due.
- G. In the event the OWNER discontinues the provision of affordable rental housing as funded under this Agreement prior to the expiration of the Affordability Monitoring Period, except as provided in Part I.1.A. of this Agreement, or if the property has been disposed of, then the City will be reimbursed any outstanding principal balance on the HOME funds from the current owner if not previously paid in the entire amount of \$250,000.
- H. Except as provided herein, the terms of this Agreement shall be effective from the date of execution through and including **the expiration of the Affordability Monitoring Period.**
- I. All housing assisted with HOME Investment Partnership funds shall be maintained in compliance with the property standards defined in 24 CFR 92.251, and any locally enforceable housing standards, laws and codes of the City.
- J. An OWNER that receives HOME Investment Partnership funds for rental housing shall maintain records indicating that an inspection of the rental housing was performed and at a minimum the rental housing meets HUD Section 8 Housing Quality Standards and all applicable local housing standards. For this project an annual inspection shall be performed as required.
- L. All projects shall adhere to the project requirements found in Subpart F of 24 CFR Part 92, as applicable in with the type of project assisted.

PART II

1. PERFORMANCE AND REPORTING:

- A. The OWNER shall direct all notices, reports, insurance policies, and other communications related to or required by this Agreement to the office of the City of Huntsville, Community Development Office, 120 E. Holmes Avenue, Huntsville, Alabama 35804. Notice by both OWNER and City shall be given by ordinary mail.
- B. Until the completion of the Project and expenditure of all HOME Investment Partnership funds disbursed under this Agreement, the OWNER shall submit quarterly reports describing progress of the project activities. This report will be due 10 (ten) days after the end of each quarter, based upon the Community Development's fiscal year (July 1 to June 30).
- C. A OWNER that receives HOME Investment Partnership funds for rental housing shall maintain records of determination of each tenant income eligibility and eligibility as a family at the time the household(s) receive the assistance. The OWNER shall reexamine family income, size and composition at least annually unless waived by mutual consent by the U.S. Department of Housing and Urban Development, the City of Huntsville and the OWNER.
- D. The OWNER shall submit annual reports (July 1 – June 30) by the first day of August of each contract year through January 5, 2033. The annual report shall, at a minimum, include statistics relating to the number of households being assisted with HOME Investment Partnership funds, household size, racial characteristics, single head of household by gender, household income and a narrative of project highlights.
- E. For projects with a HOME grant or loan of \$300,000 or more (including all funding sources), an audit report which discloses the expenditure of HOME Investment Partnership funds allocated for this Project, shall be submitted prior to the expiration of the Affordability Monitoring Period.
- F. No reporting requirements for City HOME funds shall extend beyond the final annual report that is due at the expiration of the Affordability Monitoring Period.
- G. In accordance with HOME regulations, Section 92.504(a), 92.504(B) and 92.504(C)(3), the City of Huntsville agrees to use the Low Income Housing Tax Credit (LIHTC) monitoring review prepared by the Alabama Housing Finance Authority ("AHFA") for the project located at Millenium Drive and known as Franklin Hills Apartments.

The Owner will forward a copy of the AHFA LIHTC Monitoring report to the City within ten (10) business days of receipt for the duration of the affordability period.

2. **OTHER REPORTS, AUDITS AND INSPECTIONS:**

- A. The OWNER shall promptly furnish the City or HUD with any financial records, statements, other records, data and information as the City or HUD may reasonably request pertaining to this Agreement.
- B. During the term of this Agreement, any time during normal business hours, the OWNER shall within three (3) business days of request make available to the City, HUD and/or the Comptroller General of the United States, or their duly authorized representatives, all of the OWNER's records in order to permit examination of any audits, invoices, materials, payrolls, personnel records, conditions of employment, and other data relating to all matters covered by this Agreement.
- C. The OWNER shall retain financial records, supporting documents, statistical records, and all other records pertaining to expenditures under this Agreement for a period of five (5) years after the termination of this Agreement.

3. **ADMINISTRATIVE REQUIREMENTS:**

A. **Financial Management**

1. **Accounting Standards**

The OWNER agrees to comply with HUD Handbook 2210.18 "Cost Principles for For Profit Organizations", and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. **Cost Principles**

The OWNER shall OWNER administer its program in conformance with HUD Handbook 2210.18 "Cost Principles For Profit Organizations" for all costs incurred whether charged on a direct or indirect basis.

B. **Documentation and Record-Keeping**

1. **Records to be Maintained**

The OWNER shall maintain all records that are pertinent to the activities to be funded under this Agreement, including but not limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with HOME assistance;
- c. Records documenting compliance with the fair housing and equal opportunity components of the HOME program; and
- d. Financial records as required by OMB Circular A-87, and/or OMB Circular A-133, and/or HUD Handbook 2210.18 "Cost Principles for For Profit Organizations", as appropriate.

2. Client Data

The OWNER shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, signed verification of income statement, or other basis for determining eligibility, and description of service provided. Such information shall be made available to City monitors or their designees for review upon request.

3. National Objectives and Eligibility

The OWNER agrees to maintain documentation demonstrating the activities carried out with funds provided under this contract benefit low income persons, as defined in 24 CFR Part 92.216 and/or 92.217.

C. Procurement

1. Compliance

In the event of termination for cause as provided in paragraph 12 or termination for convenience as provided in paragraph 13, a pro-rated portion of program assets (unexpended program income, property, equipment, etc.) attributable to the City's HOME investment shall revert to the City upon termination of this contract, as provided in Paragraph 12 or Paragraph 13 of this Agreement.

2. OMB Standards

Throughout the construction period, The OWNER shall procure materials in accordance with the requirements, as appropriate, of A-133, or A-87 OMB Circular, if applicable. Copies of said circulars are provided and by execution of this Agreement, the OWNER acknowledges their receipt.

3. Amendments

The City or OWNER may amend this Agreement at any time provided that such amendments are executed in writing and signed by a duly authorized representative of both organizations. Such amendments shall not invalidate this Agreement, nor relieve or release the City or OWNER from its obligations under this Agreement.

4. **NON-DISCRIMINATION and AFFIRMATIVE MARKETING:**

No person shall be excluded from or denied the benefits of the OWNER's service on the basis of age, race, color, religion, creed, national origin, sex, marital status, disability, gender identity or sexual orientation. All current and prospective project beneficiaries must, however, be persons in need of the programs provided by the OWNER. The OWNER shall comply with the affirmative marketing requirements set forth in 24 CFR 92.351.

5. **SECTION 504 COMPLIANCE:**

No otherwise qualified individual with handicaps shall, solely by reason of his or her handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. This includes, but is not

limited to, programs and/or activities related to housing, employment, and the delivery of services.

6. **EQUAL EMPLOYMENT OPPORTUNITY and FAIR HOUSING:**

The OWNER certifies that it is an "Equal Opportunity Employer" and that it will comply with all applicable regulations of the U.S. Department of Housing and Urban Development pertaining to equal opportunity and affirmative action in employment. Further, the OWNER shall ensure that all contracts for work under this Agreement contain appropriate equal employment opportunity statements. In addition, OWNER shall comply with all provisions of 24 CFR 92.350.

7. **SECTION 3:**

Contractors retained by the OWNER shall adhere to the following Section 3 requirements and provide reports as required by HUD. The OWNER agrees to comply with Section 3 requirements, the requirements under 24 CFR 92.350, the regulations set forth in 24 CFR 135, and to include the following language in all subcontracts executed under this Agreement:

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with the regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

- E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
- F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

8. **W/MBE:**

The OWNER will use its best efforts to afford minority and women-owned business enterprises (at least fifty-one (51) percent owned and controlled by minority group members or women) the maximum practicable opportunity to participate in the performance of this Agreement.

9. **LABOR:**

New construction projects funded under the HOME Investment Partnership program that contain more than 11 (eleven) HOME-assisted units shall comply with the labor provisions outlined in 24 CFR 92.354. The OWNER agrees to adhere to said provisions and will not use suspended or debarred contractors and will abide by 24 CFR 92.357. The Owner shall be responsible for compliance with all requirements of Davis Bacon Act, if applicable.

10. **ENVIRONMENTAL ASSESSMENT AND HISTORIC PRESERVATION:**

The OWNER shall comply with all applicable environmental assessment and historic preservation requirements of HUD and the State Historic Preservation Officer of Alabama.

11. **LEAD-BASED PAINT POISONING PREVENTION:**

The OWNER shall comply with requirements of Section 302 of the Lead-Based Paint Poisoning Prevention Act and HUD regulations there under (24 CFR 92.355) insofar as they apply to the performance of this Agreement.

12. **TERMINATION OF AGREEMENT FOR CAUSE:**

If the OWNER fails to materially fulfill its obligations under this Agreement in a timely and proper manner, or if the OWNER violates any of the terms, agreements or stipulations of this Agreement, the City shall thereupon have the right to terminate this Agreement by giving written notice to the OWNER of such termination, specifying the default or defaults, and stating that this Agreement shall be terminated 30 days after the giving of such notice unless such default or defaults are remedied within such cure period unless the default or violation is of a nature that it cannot be cured within thirty (30) days in which event OWNER shall be provided additional time to cure so long as OWNER initiated its efforts to cure such default within said thirty (30) day time period and diligently pursues such cure to completion. The City shall be obligated to make no payment due hereunder after it gives said notice unless the defaults are remedied within said 30-day period. In the event of such termination, the OWNER shall promptly repay to the City the full loan amount or that portion of the amounts that have been disbursed to the OWNER prior to such termination.

13. **TERMINATION OF AGREEMENT FOR CONVENIENCE:**

This Agreement may be terminated in whole or in part upon the mutual agreement of the parties hereto, in which case the City and the OWNER shall agree upon the termination conditions, including the effective date, the disposition of contract amounts, and in the case of partial termination, the portion to be terminated. However, if, in the case of partial termination, the City determines that the remaining portion of the award will not accomplish the purposes for which the award was made, and the award is terminated in its entirety, the OWNER shall promptly repay to the City the full grant and/or loan amount or that portion of the amount which has been disbursed to the OWNER prior to such termination.

14. **INTEREST OF CERTAIN FEDERAL AND OTHER OFFICIALS:**

- A. No member or delegate to the Congress of the United States, and no resident Commissioner, shall be admitted to any share or part of this Agreement, or to any benefit to arise here from.
- B. No member of the governing body of the City, no officer, employee, official or agent of the City, or other local public official who exercises any functions or responsibilities in connection with the review, approval or carrying out of the Project to which this Agreement pertains, shall have any private interest, direct or indirect, in this Contract.
- C. No federal funds appropriated under this contract shall be paid, by or on behalf of the OWNER, to any person for influencing or attempting to influence a member of Congress, an officer or employee of Congress or any federal agency in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or agreement.
- D. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, the OWNER shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- E. The OWNER shall require that the language of this certification be included in the award documents for all sub-Owners and that all sub-Owners shall certify and disclose accordingly.
- F. The OWNER agrees to comply with the provisions of 24 CFR 92.356.

15. **GRANTOR RECOGNITION:**

All activities, facilities, and items utilized pursuant to this contract shall be prominently labeled as HOME funded. In addition, the OWNER will include a reference to the support provided herein in all publications made possible with funds made available under this contract.

16. **ASSIGNABILITY:**

The OWNER shall not assign or transfer any interest in this Agreement without the prior written approval of the City. Any assignment made without such consent shall be void. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

17. **HOLD HARMLESS PROVISION:**

The OWNER shall indemnify, defend and hold harmless the City, its officers, employees and agents from all liability, loss, cost, damage and expense (including reasonable attorney's fees and court costs) resulting from or incurred by reason of any actions based upon the negligent acts or omissions of the OWNER's employees or agents during the performance of this Agreement.

18. **SEVERABILITY CLAUSE:**

If any one or more of the provisions contained in this Agreement are held to be invalid, illegal, or unenforceable, this Agreement shall be deemed severable and the remainder of the Agreement shall remain in full force and effect.

19. **LIMITATIONS OF CITY LIABILITY - DISCLAIMER OF RELATIONSHIP:**

The City shall not be liable to the OWNER, or to any party, for completion of or failure to complete any improvements which are part of the Project. Nothing contained in this Agreement, nor any act or omission of the City or the OWNER, shall be construed to create any special duty, relationship, third-party beneficiary, respondent superior, limited or general partnership, joint venture, or any association by reason of the OWNER's involvement with the City.

20. **E-VERIFY – NOTICE**

The Beason-Hammon Alabama Taxpayer and Citizen Protection Act, Act No. 2011-535, *Code of Alabama (1975) § 31-13-1 through 31-13-30* (also known as and hereinafter referred to as “the Alabama Immigration Act”) is applicable to contracts with the City of Huntsville. As a condition for the award of a contract and as a term and condition of the contract with the City of Huntsville, in accordance with § 31-13-9 (a) of the Alabama Immigration Act, any business entity or employer that employs one or more employees shall not knowingly employ, hire for employment, or continue to employ an unauthorized alien and shall attest to such by sworn affidavit signed before a notary. Such business entity or employer shall provide a copy of such affidavit to the City of Huntsville as part of its bid or proposal for the contract along with a copy of the Memorandum of Understanding as documentation establishing that the business entity or employer is enrolled in the E-Verify program. The required affidavit forms for the contractor and for subcontractors are included at the end of this notice.

During the performance of the contract, such business entity or employer shall participate in the E-Verify program and shall verify every employee that is required to be verified according to the applicable federal rules and regulations. The business entity or employer shall assure that these requirements are required of every subcontractor in accordance with §31-13-9(c) and shall maintain records that are available upon request by the City, state authorities or law enforcement to verify compliance with the requirements of the Alabama Immigration Act. Failure to comply

with these requirements may result in breach of contract, termination of the contract or subcontract, and possibly suspension or revocation of business licenses and permits in accordance with §31-13-9 (e) (1) & (2) or in the case of a subcontractor, in accordance with §31-13-9 (f) (1) & (2). The E-VERIFY PROGRAM FOR EMPLOYMENT VERIFICATION MEMORANDUM OF UNDERSTANDING between E-VERIFY and the Franklin Hills General Contractor Hunters Walk Home Centers is Exhibit C of this document. The document titled OWNER, DEVELOPER & GENERAL CONTRACTOR AFFIDAVIT AND AGREEMENT is Exhibit D of this document.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on this _____ day of _____, 2012.

CITY OF HUNTSVILLE, ALABAMA

By: _____
Tommy Battle, Its Mayor

ATTEST:

Charles E. Hagood, City Clerk Treasurer

FRANKLIN HILLS, L.P.

By: Franklin Housing, LLC
Its: General Partner
By: Neighborhood Concepts, Inc.
Its: Managing Member

Philip C. Dotts, Chairman of the Board

ATTEST:

Mary Ellen Judah, Executive Director
Neighborhood Concepts, Inc.

EXHIBIT A

Legal Description of HOME Assisted Property

Lot 1 according to the Map of Survey of Franklin Hills Subdivision as recorded in Document Number 20110831000453960, also being Lot I as shown on the Boundary Plat of Franklin Hills Apartments as recorded in Document Number 20111230000719290 in the Office of the Judge of Probate, Madison County, Alabama.

Exhibit B

Form of Deed Restriction

STATE OF ALABAMA

COUNTY OF MADISON

**DECLARATION OF LAND USE RESTRICTIVE COVENANTS
FOR HUNTSVILLE, ALABAMA HOME PROGRAM**

THIS DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR HUNTSVILLE, ALABAMA HOME PROGRAM, dated as of January __, 2012, by and between Franklin Hills, L.P., an Alabama limited partnership and City of Huntsville, Alabama, a municipal corporation, joined in by Regions Bank ("Mortgagee"). Certain capitalized terms are defined in Section 1 of this Declaration.

WITNESSETH:

WHEREAS, the Owner is or shall be the owner of the Project, a rental housing development located or to be located on lands in the City of Huntsville, Alabama, County of Madison, State of Alabama, more particularly described in Exhibit A hereto, known as or to be known as Franklin Hills; and

WHEREAS, the Owner has represented to City in the Application that Owner shall lease the Units in the Project to Low-Income Tenants as indicated in Section 4 of this Declaration; and

WHEREAS, the Owner agrees to maintain the HOME Program rent and income restrictions for the Affordability Period; and

WHEREAS, the HOME Program requires, as a condition precedent to the allocation of the HOME Program funds, that the Owner and City execute, deliver and record this Declaration in the real estate records of the Probate Office of the county in which the Project is located in order to create certain covenants running with the Project for the purpose of enforcing the requirements of the HOME Program, the Project Occupancy Restriction, and the Building Occupancy Restriction by regulating and restricting the use, occupancy and transfer of the Project as set forth herein; and

WHEREAS, the Owner, by this Declaration, intends, declares and covenants that the restrictive covenants set forth herein governing the use, occupancy and transfer of the Project shall be and are covenants running with the Project for the Declaration Term and are binding upon all subsequent owners of the Project for such term, and are not merely personal covenants of the Owner; and

WHEREAS, Mortgagee joins in this Declaration for the purpose of acknowledging the restrictions and covenants herein and the requirements of the HOME Program;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1 -- DEFINITIONS

The following terms shall be defined as follows:

- a) "Act" means the National Affordable Housing Act of 1990, as from time to time amended and the regulations relating thereto.
- b) "Affordability Period" means the 20-year period commencing upon the Completion of the Project.
- c) "Application" means Owner's Alabama's HOME Program Application to the City of Huntsville, Alabama dated December 20, 2010.
- d) "Area Median Income" means "area median income" as determined by the Secretary of HUD with adjustments for smaller or larger households.
- e) "Building" means any building that is or is to be part of the Project.
- f) "City" means the City of Huntsville, Alabama, a municipal corporation, and any successor to its function.
- g) "Completion of the Project" means the date of issuance of both the permanent certificate(s) of occupancy for the entire Project and certificates from the Owner's architect that the Project has been built to code and according to the plans, drawings, and specifications which are approved in writing by City.
- h) "Declaration" means this Declaration of Land Use Restrictive Covenants for Huntsville, Alabama HOME Program as from time to time amended, restated or supplemented.
- i) "Declaration Term" means the term of this Declaration, namely, the Affordability Period.
- j) "HOME Program" means the federal housing program created by Title II of the National Affordable Housing Act of 1990, as from time to time amended, and applicable regulations including, without limitation 24 CFR Parts 58 and 92, and all amendments thereto.
- k) "HUD" means the United States Department of Housing and Urban Development and any successor thereto.
- l) "Low-Income Requirement" means the requirement that tenants of Low-Income Units have incomes not exceeding the maximum income set out in Section 4 of this Declaration and made applicable by the Project Occupancy Restriction.
- m) "Low-Income Tenant" means an individual or household whose income satisfies the Low-Income Requirement.
- n) "Low-Income Unit" means a Unit as to which HOME Program funds were expended at any time during the Affordability Period and includes all Units that must be leased to a Low-Income Tenant to satisfy the Project Occupancy Restriction.
- o) "Owner" means Franklin Hills, L.P., an Alabama limited partnership, and any person now or hereafter owning any interest (other than solely as a creditor) in the Project or any portion thereof.
- p) "Project" means the certain tract of land in the City of Huntsville, County of Madison, State of Alabama, more particularly described in Exhibit A hereto, and a rental housing development located or to be located on such land, known as or to be known as Franklin Hills, including the Building.
- q) "Project Occupancy Restriction" means the obligation of the Owner to restrict occupancy of a percentage of the Units in the Project to satisfy Section 4(a) of this Declaration.
- r) "Project Rent Restriction" means the obligation of the Owner that rents charged Low-Income Tenants in Low-Income Units shall not exceed the maximum rent that may be imposed on occupancy of such Unit, pursuant to 24 CFR Section 92.252.
- s) "Transfer", and any derivation thereof, includes a sale or exchange other than a technical assignment of title pursuant to a mortgage (but a foreclosure of a mortgage is a "transfer").

t) "Unit" means a residential apartment unit/single household home of the Project as determined in accordance with the HOME Program.

All words and phrases defined in the HOME Program and HUD regulations pertaining thereto and/or promulgated thereunder shall have the same meanings in this Declaration.

SECTION 2 – RECORDING AND FILING; COVENANTS TO RUN WITH THE PROJECT

a) Upon execution and delivery by the parties hereto, the Owner shall cause this Declaration and all amendments hereto to be recorded and filed in the real estate records in the Probate Office of the county in which the Project is located and shall pay all fees and charges incurred in connection therewith. Prior to recording, the Owner shall provide City with an executed copy of this Declaration. Upon recording, the Owner shall provide City with the executed original of the recorded Declaration showing the Probate Office's time and date stamp and all pertinent recording data.

b) The covenants contained in this Declaration (i) shall be and are covenants running with the Project, encumbering the Project for the Declaration Term, binding upon the Owner's successors in title and all subsequent owners and operators of the Project or of any part thereof, (ii) are not merely personal covenants of the Owner, and (iii) shall bind the Owner and its successors and assigns during the Declaration Term. All parties hereto hereby agree that any and all requirements of the laws of the State of Alabama to be satisfied in order for the provisions of this Declaration to constitute valid, binding and enforceable restrictive covenants running with the Project shall be deemed to be satisfied in full or in the alternative, that an equitable servitude has been created to ensure that these restrictions run with the Project.

c) For the Declaration Term, each and every mortgage, lease, deed or other instrument hereafter executed conveying or encumbering the Project or any portion thereof shall expressly provide that such conveyance and encumbrance is subject to this Declaration, provided, however, the covenants contained herein shall survive and be effective regardless of whether such mortgage, lease, deed or other instrument hereafter executed conveying or encumbering the Project or any portion thereof provides that such conveyance is subject to this Declaration.

SECTION 3 – REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE OWNER

The Owner hereby represents, covenants and warrants to City as follows:

a) The Owner is a (i) Limited Partnership, duly organized, existing and in good standing under the laws of the State of Alabama, and is qualified to transact business under the laws of the State of Alabama, (ii) has the power and authority to own its properties and assets and to carry on its business as now being conducted, and (iii) has the full legal right, power and authority to execute and deliver this Declaration.

b) The execution, delivery and performance of this Declaration by the Owner (i) will not violate any provision of law, rule or regulation, or any order of any court or other agency or governmental body and (ii) will not violate any provision of any indenture agreement, mortgage, mortgage note, or other instrument to which the Owner is a party or by which it or the Project is bound.

c) The Owner has good and marketable fee simple title to the Project and the covenants imposed on the Project by this Declaration are not inconsistent with the terms of any lien, mortgage, or other encumbrance or restrictive covenant, easement or servitude.

d) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the knowledge of the Owner, threatened against or affecting the Owner or the Project, or any of the Owner's properties or rights, which, if adversely determined, would materially impair the Owner's right to carry on business substantially as now conducted (and as contemplated by this Declaration) or which would materially and adversely affect its financial condition or which would impair the use of the Project as contemplated by this Declaration.

e) Throughout the Affordability Period, the Project shall constitute a qualified low-income housing project, as required in Section 4 of this Declaration.

f) Each Unit shall, throughout the Affordability Period, contain complete facilities for living, sleeping, eating, cooking and sanitation (unless the Project qualifies as a single-room occupancy or transitional housing for the homeless under the HOME Program) which are to be used on other than a transient basis.

g) During the Affordability Period, each Low-Income Unit shall be suitable for occupancy and shall be used only other than on a transient basis.

h) The Owner shall not demolish any part of the Project or substantially subtract from any real or personal property of the Project or permit the use of any Unit for any purpose other than rental housing during the Affordability Period unless required by law.

i) If during the Affordability Period the Project, or any part thereof, shall be damaged or destroyed or shall be condemned or acquired for public use, the Owner shall use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter to operate the Project in accordance with the terms of this Declaration. If the Building or any Units are damaged, destroyed, acquired for public use, or condemned and not rebuilt, the Project Occupancy Restriction shall be applied to the remaining Units in the Project as though no reduction in the total number of Units had occurred.

j) The Owner has not executed, and shall not execute, any other agreement with provisions contradictory to, or in opposition to this Declaration. This Declaration is paramount and controlling as to the rights and obligations herein set forth and supersedes any other requirements in conflict herewith.

k) Throughout this Declaration Term, the Owner shall not evict or terminate the tenancy of a Low-Income Tenant other than for good cause or increase gross rent with respect to a Low-Income Unit other than as permitted under the HOME Program.

SECTION 4 – EXTENDED LOW-INCOME HOUSING COMMITMENT

In order to satisfy the Project Occupancy Restriction, the Owner shall assure that throughout the Affordability Period and by no later than the last day of the first year of the Affordability Period:

a) At least twenty percent (20%) of the rental residential units in this project shall be designated as HOME assisted Units. At least twenty percent (20%) of the HOME assisted Units shall be rent restricted and occupied by individuals whose income is fifty percent (50%) or less of the Area Median Income.

The Project Rent and Income Restrictions are applied on a Project basis.

b) The determination of whether a Low-Income Tenant meets the Low-Income Requirement shall be made by the Owner at least annually on the basis of the then current income of such Low-Income Tenant and the guidelines established by the HOME Program.

SECTION 5 – ENFORCEMENT OF OCCUPANCY RESTRICTIONS

a) The Owner shall permit, during normal business hours and upon reasonable notice, any duly authorized representative or designated agent of City to inspect any books and records of the Owner regarding the Project with respect to the incomes of Low-Income Tenants or which pertain to compliance with the occupancy restrictions specified in this Declaration.

b) The Owner shall submit any other information, documents or certifications requested by City which City shall deem necessary to substantiate the Owner's continuing compliance with the provisions of the Project Occupancy Restriction and any other Occupancy Restrictions specified in this Declaration.

SECTION 6 – ENFORCEMENT TO HOME PROGRAM RESTRICTIONS

a) The Owner covenants that it shall not knowingly take or permit any action that would result in a violation of the requirements of the HOME Program, or this Declaration. Moreover, Owner covenants to take any lawful action (including amendment of this Declaration as may be necessary) to comply fully with the HOME Program, and with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by HUD or other governmental agency from time to time pertaining to Owner's obligations under the HOME Program and affecting the Project.

b) The Owner and City each acknowledge that the primary purpose for requiring compliance by the Owner with the restrictions provided in this Declaration is to assure compliance of the Project and the Owner with the HOME Program, AND BY REASONS THEREOF, THE OWNER IN CONSIDERATION FOR RECEIVING FUNDING UNDER THE HOME PROGRAM FOR THIS PROJECT HEREBY AGREES AND CONSENTS THAT CITY SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREOF, AND IN ADDITION TO ALL OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO ENFORCE SPECIFIC PERFORMANCE BY THE OWNER OF ITS OBLIGATIONS UNDER THIS DECLARATION IN A STATE OR FEDERAL COURT OF COMPETENT JURISDICTION. The Owner hereby further specifically acknowledges that the beneficiaries of the Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder.

c) The Owner hereby agrees that the representations and covenants set forth herein may be relied upon by City and all persons interested in Project compliance under the HOME Program and this Declaration.

SECTION 7 – MISCELLANEOUS

a) Severability. The invalidity of any clause, part or provision of this Declaration shall not affect the validity of the remaining portions thereof.

b) Notices. All notices to be given pursuant to this Declaration shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

TO THE CITY:

City of Huntsville, AL
P. O. Box 308
Huntsville, AL 35804

TO THE OWNER:

Franklin Hills, L.P.
116 S. Jefferson Street, Suite 207
Huntsville, Alabama 35801

TO THE MORTGAGEE:

Regions Bank
1900 5th Avenue North, 15th Floor
Birmingham, AL 35203

City and Owner may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

c) Amendment. The Owner agrees that it shall take all actions necessary to effect amendment of this Declaration as may be necessary to comply with the HOME Program and any and all applicable rules, regulations, policies, procedures, and rulings or other official statements pertaining to the HOME Program.

d) Governing Law. This Declaration shall be governed by the laws of the State of Alabama and, where applicable, the laws of the United States of America.

e) Survival of Obligations. The obligations of the Owner as set forth herein and in the Application shall survive the funding of the HOME Program loan and shall not be deemed to terminate or merge with the funding of the loan.

f) Recovery of Attorney's Fees. If City shall incur legal fees or other expenses in enforcing its rights and/or remedies, or the Owner's obligations, under this Declaration, the Owner shall reimburse City for those fees and other expenses within ten (10) days of receipt of written demand therefor.

g) Successors and Assigns. This Declaration shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

h) Construction. This Declaration shall be construed and enforced to preserve the purposes of the HOME Program.

i) Other Declaration. This Declaration is in addition to, and is not in lieu of, any other declaration of restrictive covenants (the "Other Declaration") which the Owner may have heretofore executed, or may simultaneously herewith or hereafter execute, with respect to the Project. The Owner must abide by this Declaration and by the Other Declaration, if any, each of which stands on its own.

IN WITNESS WHEREOF, the parties have caused this Declaration to be signed by their respective duly authorized representatives, as of the day and year first written above.

FRANKLIN HILLS, L.P.,
an Alabama limited partnership

By: Franklin Housing LLC
an Alabama limited liability company
Its General Partner

By: Neighborhood Concepts, Inc.
Its; Managing Member

By: _____
Mary Ellen Judah
Its: Executive Director

CITY OF HUNTSVILLE, AL

By: _____

Its _____

REGIONS BANK

By: _____

Its _____

STATE OF ALABAMA)

:

COUNTY OF _____)

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Mary Ellen Judah, whose name as Executive Director of Neighborhood Concepts, Inc., Managing Member of Franklin Housing LLC, an Alabama limited liability company, acting as General Partner of **Franklin Hills, L.P.**, an Alabama limited partnership, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such Manager, and with full authority, executed the same voluntarily for and as the act of said limited liability company, acting in its capacity as General Partner of said limited partnership.

Given under my hand and official seal this _____ day of _____, 2012.

(SEAL)

Notary Public

My commission expires: _____

STATE OF ALABAMA)

:

COUNTY OF _____)

I, the undersigned authority, a Notary Public in and for said State and County, hereby certify that _____, whose name as _____ of **City of Huntsville, Alabama**, a public municipal, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand and official seal, this _____ day of _____, 2012.

(SEAL)

Notary Public

My Commission Expires: _____

STATE OF ALABAMA)
)
COUNTY OF _____)

I, the undersigned authority, a Notary Public in and for said State and County, hereby certify that _____, whose name as _____ of _____, an _____ banking corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand and official seal, this _____ day of _____, 2012.

(SEAL)

Notary Public _____
My Commission Expires: _____



Company ID Number: 410274

**THE E-VERIFY PROGRAM FOR EMPLOYMENT VERIFICATION
MEMORANDUM OF UNDERSTANDING**

ARTICLE I

PURPOSE AND AUTHORITY

This Memorandum of Understanding (MOU) sets forth the points of agreement between the Department of Homeland Security (DHS) and Hunters Walk Home Centers, Inc. (Employer) regarding the Employer's participation in the Employment Eligibility Verification Program (E-Verify). This MOU explains certain features of the E-Verify program and enumerates specific responsibilities of DHS, the Social Security Administration (SSA), and the Employer. E-Verify is a program that electronically confirms an employee's eligibility to work in the United States after completion of the Employment Eligibility Verification Form (Form I-9). For covered government contractors, E-Verify is used to verify the employment eligibility of all newly hired employees and all existing employees assigned to Federal contracts or to verify the entire workforce if the contractor so chooses.

Authority for the E-Verify program is found in Title IV, Subtitle A, of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), Pub. L. 104-208, 110 Stat. 3009, as amended (8 U.S.C. § 1324a note). Authority for use of the E-Verify program by Federal contractors and subcontractors covered by the terms of Subpart 22.18, "Employment Eligibility Verification", of the Federal Acquisition Regulation (FAR) (hereinafter referred to in this MOU as a "Federal contractor with the FAR E-Verify clause") to verify the employment eligibility of certain employees working on Federal contracts is also found in Subpart 22.18 and in Executive Order 12989, as amended.

ARTICLE II

FUNCTIONS TO BE PERFORMED

A. RESPONSIBILITIES OF SSA

1. SSA agrees to provide the Employer with available information that allows the Employer to confirm the accuracy of Social Security Numbers provided by all employees verified under this MOU and the employment authorization of U.S. citizens.
2. SSA agrees to provide to the Employer appropriate assistance with operational problems that may arise during the Employer's participation in the E-Verify program. SSA agrees to provide the Employer with names, titles, addresses, and telephone numbers of SSA representatives to be contacted during the E-Verify process.
3. SSA agrees to safeguard the information provided by the Employer through the E-Verify program procedures, and to limit access to such information, as is appropriate by law, to individuals responsible for the verification of Social Security Numbers and for evaluation of the E-Verify program or such other persons or entities who may be authorized by SSA as governed



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by the Privacy Act (5 U.S.C. § 552a), the Social Security Act (42 U.S.C. 1306(a)), and SSA regulations (20 CFR Part 401).

4. SSA agrees to provide a means of automated verification that is designed (in conjunction with DHS's automated system if necessary) to provide confirmation or tentative nonconfirmation of U.S. citizens' employment eligibility within 3 Federal Government work days of the initial inquiry.

5. SSA agrees to provide a means of secondary verification (including updating SSA records as may be necessary) for employees who contest SSA tentative nonconfirmations that is designed to provide final confirmation or nonconfirmation of U.S. citizens' employment eligibility and accuracy of SSA records for both citizens and non-citizens within 10 Federal Government work days of the date of referral to SSA, unless SSA determines that more than 10 days may be necessary. In such cases, SSA will provide additional verification instructions.

B. RESPONSIBILITIES OF DHS

1. After SSA verifies the accuracy of SSA records for employees through E-Verify, DHS agrees to provide the Employer access to selected data from DHS's database to enable the Employer to conduct, to the extent authorized by this MOU:

- Automated verification checks on employees by electronic means, and
- Photo verification checks (when available) on employees.

2. DHS agrees to provide to the Employer appropriate assistance with operational problems that may arise during the Employer's participation in the E-Verify program. DHS agrees to provide the Employer names, titles, addresses, and telephone numbers of DHS representatives to be contacted during the E-Verify process.

3. DHS agrees to make available to the Employer at the E-Verify Web site and on the E-Verify Web browser, instructional materials on E-Verify policies, procedures and requirements for both SSA and DHS, including restrictions on the use of E-Verify. DHS agrees to provide training materials on E-Verify.

4. DHS agrees to provide to the Employer a notice, which indicates the Employer's participation in the E-Verify program. DHS also agrees to provide to the Employer anti-discrimination notices issued by the Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC), Civil Rights Division, U.S. Department of Justice.

5. DHS agrees to issue the Employer a user identification number and password that permits the Employer to verify information provided by employees with DHS's database.

6. DHS agrees to safeguard the information provided to DHS by the Employer, and to limit access to such information to individuals responsible for the verification of employees' employment eligibility and for evaluation of the E-Verify program, or to such other persons or entities as may be authorized by applicable law. Information will be used only to verify the accuracy of Social Security Numbers and employment eligibility, to enforce the Immigration and



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Nationality Act (INA) and Federal criminal laws, and to administer Federal contracting requirements.

7. DHS agrees to provide a means of automated verification that is designed (in conjunction with SSA verification procedures) to provide confirmation or tentative nonconfirmation of employees' employment eligibility within 3 Federal Government work days of the initial inquiry.

8. DHS agrees to provide a means of secondary verification (including updating DHS records as may be necessary) for employees who contest DHS tentative nonconfirmations and photo non-match tentative nonconfirmations that is designed to provide final confirmation or nonconfirmation of the employees' employment eligibility within 10 Federal Government work days of the date of referral to DHS, unless DHS determines that more than 10 days may be necessary. In such cases, DHS will provide additional verification instructions.

C. RESPONSIBILITIES OF THE EMPLOYER

1. The Employer agrees to display the notices supplied by DHS in a prominent place that is clearly visible to prospective employees and all employees who are to be verified through the system.

2. The Employer agrees to provide to the SSA and DHS the names, titles, addresses, and telephone numbers of the Employer representatives to be contacted regarding E-Verify.

3. The Employer agrees to become familiar with and comply with the most recent version of the E-Verify User Manual.

4. The Employer agrees that any Employer Representative who will perform employment verification queries will complete the E-Verify Tutorial before that individual initiates any queries.

A. The Employer agrees that all Employer representatives will take the refresher tutorials initiated by the E-Verify program as a condition of continued use of E-Verify.

B. Failure to complete a refresher tutorial will prevent the Employer from continued use of the program.

5. The Employer agrees to comply with current Form I-9 procedures, with two exceptions:

- If an employee presents a "List B" identity document, the Employer agrees to only accept "List B" documents that contain a photo. (List B documents identified in 8 C.F.R. § 274a.2(b)(1)(B)) can be presented during the Form I-9 process to establish identity.) If an employee objects to the photo requirement for religious reasons, the Employer should contact E-Verify at 888-464-4218.

- If an employee presents a DHS Form I-551 (Permanent Resident Card) or Form I-766 (Employment Authorization Document) to complete the Form I-9, the Employer agrees to make a photocopy of the document and to retain the photocopy with the employee's Form I-9. The photocopy must be of sufficient quality to allow for verification of the photo



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and written information. The employer will use the photocopy to verify the photo and to assist DHS with its review of photo non-matches that are contested by employees. Note that employees retain the right to present any List A, or List B and List C, documentation to complete the Form I-9. DHS may in the future designate other documents that activate the photo screening tool.

6. The Employer understands that participation in E-Verify does not exempt the Employer from the responsibility to complete, retain, and make available for inspection Forms I-9 that relate to its employees, or from other requirements of applicable regulations or laws, including the obligation to comply with the antidiscrimination requirements of section 274B of the INA with respect to Form I-9 procedures, except for the following modified requirements applicable by reason of the Employer's participation in E-Verify: (1) identity documents must have photos, as described in paragraph 5 above; (2) a rebuttable presumption is established that the Employer has not violated section 274A(a)(1)(A) of the Immigration and Nationality Act (INA) with respect to the hiring of any individual if it obtains confirmation of the identity and employment eligibility of the individual in good faith compliance with the terms and conditions of E-Verify; (3) the Employer must notify DHS if it continues to employ any employee after receiving a final nonconfirmation, and is subject to a civil money penalty between \$550 and \$1,100 for each failure to notify DHS of continued employment following a final nonconfirmation; (4) the Employer is subject to a rebuttable presumption that it has knowingly employed an unauthorized alien in violation of section 274A(a)(1)(A) if the Employer continues to employ an employee after receiving a final nonconfirmation; and (5) no person or entity participating in E-Verify is civilly or criminally liable under any law for any action taken in good faith based on information provided through the confirmation system. DHS reserves the right to conduct Form I-9 and E-Verify system compliance inspections during the course of E-Verify, as well as to conduct any other enforcement activity authorized by law.

7. The Employer agrees to initiate E-Verify verification procedures for new employees within 3 Employer business days after each employee has been hired (but after the Form I-9 has been completed), and to complete as many (but only as many) steps of the E-Verify process as are necessary according to the E-Verify User Manual, or in the case of Federal contractors with the FAR E-Verify clause, the E-Verify User Manual for Federal Contractors. The Employer is prohibited from initiating verification procedures before the employee has been hired and the Form I-9 completed. If the automated system to be queried is temporarily unavailable, the 3-day time period is extended until it is again operational in order to accommodate the Employer's attempting, in good faith, to make inquiries during the period of unavailability. Employers may initiate verification by notating the Form I-9 in circumstances where the employee has applied for a Social Security Number (SSN) from the SSA and is waiting to receive the SSN, provided that the Employer performs an E-Verify employment verification query using the employee's SSN as soon as the SSN becomes available.

8. The Employer agrees not to use E-Verify procedures for pre-employment screening of job applicants, in support of any unlawful employment practice, or for any other use not authorized by this MOU. Employers must use E-Verify for all new employees, unless an Employer is a Federal contractor that qualifies for the exceptions described in Article II.D.1.c. Except as provided in Article II.D, the Employer will not verify selectively and will not verify employees hired before the effective date of this MOU. The Employer understands that if the Employer



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uses the E-Verify system for any purpose other than as authorized by this MOU, the Employer may be subject to appropriate legal action and termination of its access to SSA and DHS information pursuant to this MOU.

9. The Employer agrees to follow appropriate procedures (see Article III. below) regarding tentative nonconfirmations, including notifying employees in private of the finding and providing them written notice of the findings, providing written referral instructions to employees, allowing employees to contest the finding, and not taking adverse action against employees if they choose to contest the finding. Further, when employees contest a tentative nonconfirmation based upon a photo non-match, the Employer is required to take affirmative steps (see Article III.B. below) to contact DHS with information necessary to resolve the challenge.

10. The Employer agrees not to take any adverse action against an employee based upon the employee's perceived employment eligibility status while SSA or DHS is processing the verification request unless the Employer obtains knowledge (as defined in 8 C.F.R. § 274a.1(l)) that the employee is not work authorized. The Employer understands that an initial inability of the SSA or DHS automated verification system to verify work authorization, a tentative nonconfirmation, a case in continuance (indicating the need for additional time for the government to resolve a case), or the finding of a photo non-match, does not establish, and should not be interpreted as evidence, that the employee is not work authorized. In any of the cases listed above, the employee must be provided a full and fair opportunity to contest the finding, and if he or she does so, the employee may not be terminated or suffer any adverse employment consequences based upon the employee's perceived employment eligibility status (including denying, reducing, or extending work hours, delaying or preventing training, requiring an employee to work in poorer conditions, refusing to assign the employee to a Federal contract or other assignment, or otherwise subjecting an employee to any assumption that he or she is unauthorized to work) until and unless secondary verification by SSA or DHS has been completed and a final nonconfirmation has been issued. If the employee does not choose to contest a tentative nonconfirmation or a photo non-match or if a secondary verification is completed and a final nonconfirmation is issued, then the Employer can find the employee is not work authorized and terminate the employee's employment. Employers or employees with questions about a final nonconfirmation may call E-Verify at 1-888-464-4218 or OSC at 1-800-255-8155 or 1-800-237-2515 (TDD).

11. The Employer agrees to comply with Title VII of the Civil Rights Act of 1964 and section 274B of the INA, as applicable, by not discriminating unlawfully against any individual in hiring, firing, or recruitment or referral practices because of his or her national origin or, in the case of a protected individual as defined in section 274B(a)(3) of the INA, because of his or her citizenship status. The Employer understands that such illegal practices can include selective verification or use of E-Verify except as provided in part D below, or discharging or refusing to hire employees because they appear or sound "foreign" or have received tentative nonconfirmations. The Employer further understands that any violation of the unfair immigration-related employment practices provisions in section 274B of the INA could subject the Employer to civil penalties, back pay awards, and other sanctions, and violations of Title VII could subject the Employer to back pay awards, compensatory and punitive damages. Violations of either section 274B of the INA or Title VII may also lead to the termination of its participation in E-



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Verify. If the Employer has any questions relating to the anti-discrimination provision, it should contact OSC at 1-800-255-8155 or 1-800-237-2515 (TDD).

12. The Employer agrees to record the case verification number on the employee's Form I-9 or to print the screen containing the case verification number and attach it to the employee's Form I-9.

13. The Employer agrees that it will use the information it receives from SSA or DHS pursuant to E-Verify and this MOU only to confirm the employment eligibility of employees as authorized by this MOU. The Employer agrees that it will safeguard this information, and means of access to it (such as PINS and passwords) to ensure that it is not used for any other purpose and as necessary to protect its confidentiality, including ensuring that it is not disseminated to any person other than employees of the Employer who are authorized to perform the Employer's responsibilities under this MOU, except for such dissemination as may be authorized in advance by SSA or DHS for legitimate purposes.

14. The Employer acknowledges that the information which it receives from SSA is governed by the Privacy Act (5 U.S.C. § 552a(i)(1) and (3)) and the Social Security Act (42 U.S.C. 1306(a)), and that any person who obtains this information under false pretenses or uses it for any purpose other than as provided for in this MOU may be subject to criminal penalties.

15. The Employer agrees to cooperate with DHS and SSA in their compliance monitoring and evaluation of E-Verify, including by permitting DHS and SSA, upon reasonable notice, to review Forms I-9 and other employment records and to interview it and its employees regarding the Employer's use of E-Verify, and to respond in a timely and accurate manner to DHS requests for information relating to their participation in E-Verify.

D. RESPONSIBILITIES OF FEDERAL CONTRACTORS WITH THE FAR E-VERIFY CLAUSE

1. The Employer understands that if it is a subject to the employment verification terms in Subpart 22.18 of the FAR, it must verify the employment eligibility of any existing employee assigned to the contract and all new hires, as discussed in the Supplemental Guide for Federal Contractors. Once an employee has been verified through E-Verify by the Employer, the Employer may not reverify the employee through E-Verify.

a. Federal contractors with the FAR E-Verify clause agree to become familiar with and comply with the most recent versions of the E-Verify User Manual for Federal Contractors and the E-Verify Supplemental Guide for Federal Contractors.

b. Federal contractors with the FAR E-Verify clause agree to complete a tutorial for Federal contractors with the FAR E-Verify clause.

c. Federal contractors with the FAR E-Verify clause not enrolled at the time of contract award: An Employer that is not enrolled in E-Verify at the time of a contract award must enroll as a Federal contractor with the FAR E-Verify clause in E-Verify within 30 calendar days of contract award and, within 90 days of enrollment, begin to use E-Verify to initiate verification of employment eligibility of new hires of the Employer who are working in the United States,



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whether or not assigned to the contract. Once the Employer begins verifying new hires, such verification of new hires must be initiated within 3 business days after the date of hire. Once enrolled in E-Verify as a Federal contractor with the FAR E-Verify clause, the Employer must initiate verification of employees assigned to the contract within 90 calendar days from the time of enrollment in the system and after the date and selecting which employees will be verified in E-Verify or within 30 days of an employee's assignment to the contract, whichever date is later.

d. Employers that are already enrolled in E-Verify at the time of a contract award but are not enrolled in the system as a Federal contractor with the FAR E-Verify clause: Employers enrolled in E-Verify for 90 days or more at the time of a contract award must use E-Verify to initiate verification of employment eligibility for new hires of the Employer who are working in the United States, whether or not assigned to the contract, within 3 business days after the date of hire. Employers enrolled in E-Verify as other than a Federal contractor with the FAR E-Verify clause, must update E-Verify to indicate that they are a Federal contractor with the FAR E-Verify clause within 30 days after assignment to the contract. If the Employer is enrolled in E-Verify for 90 calendar days or less at the time of contract award, the Employer must, within 90 days of enrollment, begin to use E-Verify to initiate verification of new hires of the contractor who are working in the United States, whether or not assigned to the contract. Such verification of new hires must be initiated within 3 business days after the date of hire. An Employer enrolled as a Federal contractor with the FAR E-Verify clause in E-Verify must initiate verification of each employee assigned to the contract within 90 calendar days after date of contract award or within 30 days after assignment to the contract, whichever is later.

e. Institutions of higher education, State, local and tribal governments and sureties: Federal contractors with the FAR E-Verify clause that are institutions of higher education (as defined at 20 U.S.C. 1001(a)), State or local governments, governments of Federally recognized Indian tribes, or sureties performing under a takeover agreement entered into with a Federal agency pursuant to a performance bond may choose to only verify new and existing employees assigned to the Federal contract. Such Federal contractors with the FAR E-Verify clause may, however, elect to verify all new hires, and/or all existing employees hired after November 6, 1986. The provisions of Article II.D, paragraphs 1.a and 1.b of this MOU providing timeframes for initiating employment verification of employees assigned to a contract apply to such institutions of higher education, State, local and tribal governments, and sureties.

f. Verification of all employees: Upon enrollment, Employers who are Federal contractors with the FAR E-Verify clause may elect to verify employment eligibility of all existing employees working in the United States who were hired after November 6, 1986, instead of verifying only new employees and those existing employees assigned to a covered Federal contract. After enrollment, Employers must elect to do so only in the manner designated by DHS and initiate E-Verify verification of all existing employees within 180 days after the election.

g. Form I-9 procedures for existing employees of Federal contractors with the FAR E-Verify clause: Federal contractors with the FAR E-Verify clause may choose to complete new Forms I-9 for all existing employees other than those that are completely exempt from this process. Federal contractors with the FAR E-Verify clause may also update previously completed Forms I-9 to initiate E-Verify verification of existing employees who are not completely exempt as long as that Form I-9 is complete (including the SSN), complies with



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Article II.C.5, the employee's work authorization has not expired, and the Employer has reviewed the information reflected in the Form I-9 either in person or in communications with the employee to ensure that the employee's stated basis in section 1 of the Form I-9 for work authorization has not changed (including, but not limited to, a lawful permanent resident alien having become a naturalized U.S. citizen). If the Employer is unable to determine that the Form I-9 complies with Article II.C.5, if the employee's basis for work authorization as attested in section 1 has expired or changed, or if the Form I-9 contains no SSN or is otherwise incomplete, the Employer shall complete a new I-9 consistent with Article II.C.5, or update the previous I-9 to provide the necessary information. If section 1 of the Form I-9 is otherwise valid and up-to-date and the form otherwise complies with Article II.C.5, but reflects documentation (such as a U.S. passport or Form I-551) that expired subsequent to completion of the Form I-9, the Employer shall not require the production of additional documentation, or use the photo screening tool described in Article II.C.5, subject to any additional or superseding instructions that may be provided on this subject in the Supplemental Guide for Federal Contractors. Nothing in this section shall be construed to require a second verification using E-Verify of any assigned employee who has previously been verified as a newly hired employee under this MOU, or to authorize verification of any existing employee by any Employer that is not a Federal contractor with the FAR E-Verify clause.

2. The Employer understands that if it is a Federal contractor with the FAR E-Verify clause, its compliance with this MOU is a performance requirement under the terms of the Federal contract or subcontract, and the Employer consents to the release of information relating to compliance with its verification responsibilities under this MOU to contracting officers or other officials authorized to review the Employer's compliance with Federal contracting requirements.

ARTICLE III

REFERRAL OF INDIVIDUALS TO SSA AND DHS

A. REFERRAL TO SSA

1. If the Employer receives a tentative nonconfirmation issued by SSA, the Employer must print the notice as directed by the E-Verify system and provide it to the employee so that the employee may determine whether he or she will contest the tentative nonconfirmation. The Employer must review the tentative nonconfirmation with the employee in private.

2. The Employer will refer employees to SSA field offices only as directed by the automated system based on a tentative nonconfirmation, and only after the Employer records the case verification number, reviews the input to detect any transaction errors, and determines that the employee contests the tentative nonconfirmation. The Employer will transmit the Social Security Number to SSA for verification again if this review indicates a need to do so. The Employer will determine whether the employee contests the tentative nonconfirmation as soon as possible after the Employer receives it.

3. If the employee contests an SSA tentative nonconfirmation, the Employer will provide the employee with a system-generated referral letter and instruct the employee to visit an SSA office within 8 Federal Government work days. SSA will electronically transmit the result of the referral to the Employer within 10 Federal Government work days of the referral unless it

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determines that more than 10 days is necessary. The Employer agrees to check the E-Verify system regularly for case updates.

4. The Employer agrees not to ask the employee to obtain a printout from the Social Security Number database (the Numident) or other written verification of the Social Security Number from the SSA.

B. REFERRAL TO DHS

1. If the Employer receives a tentative nonconfirmation issued by DHS, the Employer must print the tentative nonconfirmation notice as directed by the E-Verify system and provide it to the employee so that the employee may determine whether he or she will contest the tentative nonconfirmation. The Employer must review the tentative nonconfirmation with the employee in private.

2. If the Employer finds a photo non-match for an employee who provides a document for which the automated system has transmitted a photo, the employer must print the photo non-match tentative nonconfirmation notice as directed by the automated system and provide it to the employee so that the employee may determine whether he or she will contest the finding. The Employer must review the tentative nonconfirmation with the employee in private.

3. The Employer agrees to refer individuals to DHS only when the employee chooses to contest a tentative nonconfirmation received from DHS automated verification process or when the Employer issues a tentative nonconfirmation based upon a photo non-match. The Employer will determine whether the employee contests the tentative nonconfirmation as soon as possible after the Employer receives it.

4. If the employee contests a tentative nonconfirmation issued by DHS, the Employer will provide the employee with a referral letter and instruct the employee to contact DHS through its toll-free hotline (as found on the referral letter) within 8 Federal Government work days.

5. If the employee contests a tentative nonconfirmation based upon a photo non-match, the Employer will provide the employee with a referral letter to DHS. DHS will electronically transmit the result of the referral to the Employer within 10 Federal Government work days of the referral unless it determines that more than 10 days is necessary. The Employer agrees to check the E-Verify system regularly for case updates.

6. The Employer agrees that if an employee contests a tentative nonconfirmation based upon a photo non-match, the Employer will send a copy of the employee's Form I-551 or Form I-766 to DHS for review by:

- Scanning and uploading the document, or
- Sending a photocopy of the document by an express mail account (paid for at employer expense).

7. If the Employer determines that there is a photo non-match when comparing the photocopied List B document described in Article II.C.5 with the image generated in E-Verify, the Employer must forward the employee's documentation to DHS using one of the means described in the preceding paragraph, and allow DHS to resolve the case.



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ARTICLE IV

SERVICE PROVISIONS

SSA and DHS will not charge the Employer for verification services performed under this MOU. The Employer is responsible for providing equipment needed to make inquiries. To access E-Verify, an Employer will need a personal computer with Internet access.

ARTICLE V

PARTIES

A. This MOU is effective upon the signature of all parties, and shall continue in effect for as long as the SSA and DHS conduct the E-Verify program unless modified in writing by the mutual consent of all parties, or terminated by any party upon 30 days prior written notice to the others. Any and all system enhancements to the E-Verify program by DHS or SSA, including but not limited to the E-Verify checking against additional data sources and instituting new verification procedures, will be covered under this MOU and will not cause the need for a supplemental MOU that outlines these changes. DHS agrees to train employers on all changes made to E-Verify through the use of mandatory refresher tutorials and updates to the E-Verify User Manual, the E-Verify User Manual for Federal Contractors or the E-Verify Supplemental Guide for Federal Contractors. Even without changes to E-Verify, DHS reserves the right to require employers to take mandatory refresher tutorials. An Employer that is a Federal contractor with the FAR E-Verify clause may terminate this MOU when the Federal contract that requires its participation in E-Verify is terminated or completed. In such a circumstance, the Federal contractor with the FAR E-Verify clause must provide written notice to DHS. If an Employer that is a Federal contractor with the FAR E-Verify clause fails to provide such notice, that Employer will remain a participant in the E-Verify program, will remain bound by the terms of this MOU that apply to participants that are not Federal contractors with the FAR E-Verify clause, and will be required to use the E-Verify procedures to verify the employment eligibility of all newly hired employees.

B. Notwithstanding Article V, part A of this MOU, DHS may terminate this MOU if deemed necessary because of the requirements of law or policy, or upon a determination by SSA or DHS that there has been a breach of system integrity or security by the Employer, or a failure on the part of the Employer to comply with established procedures or legal requirements. The Employer understands that if it is a Federal contractor with the FAR E-Verify clause, termination of this MOU by any party for any reason may negatively affect its performance of its contractual responsibilities.

C. Some or all SSA and DHS responsibilities under this MOU may be performed by contractor(s), and SSA and DHS may adjust verification responsibilities between each other as they may determine necessary. By separate agreement with DHS, SSA has agreed to perform its responsibilities as described in this MOU.



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D. Nothing in this MOU is intended, or should be construed, to create any right or benefit, substantive or procedural, enforceable at law by any third party against the United States, its agencies, officers, or employees, or against the Employer, its agents, officers, or employees.

E. Each party shall be solely responsible for defending any claim or action against it arising out of or related to E-Verify or this MOU, whether civil or criminal, and for any liability wherefrom, including (but not limited to) any dispute between the Employer and any other person or entity regarding the applicability of Section 403(d) of IIRIRA to any action taken or allegedly taken by the Employer.

F. The Employer understands that the fact of its participation in E-Verify is not confidential information and may be disclosed as authorized or required by law and DHS or SSA policy, including but not limited to, Congressional oversight, E-Verify publicity and media inquiries, determinations of compliance with Federal contractual requirements, and responses to inquiries under the Freedom of Information Act (FOIA).

G. The foregoing constitutes the full agreement on this subject between DHS and the Employer.

H. The individuals whose signatures appear below represent that they are authorized to enter into this MOU on behalf of the Employer and DHS respectively.



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To be accepted as a participant in E-Verify, you should only sign the Employer's Section of the signature page. If you have any questions, contact E-Verify at 888-464-4218.

Employer Hunters Walk Home Centers, Inc.	
Amelia Johnson	
Name (Please Type or Print)	Title
Electronically Signed	04/22/2011
Signature <i>Amelia Johnson</i>	Date 4/22/2011
Department of Homeland Security – Verification Division	
USCIS Verification Division	
Name (Please Type or Print)	Title
Electronically Signed	04/22/2011
Signature	Date

Information Required for the E-Verify Program

Information relating to your Company:

Company Name:	Hunters Walk Home Centers, Inc.
Company Facility Address:	3825 Paces Walk, SE
	Suite 100
	Atlanta, GA 30339
Company Alternate Address:	
County or Parish:	COBB
Employer Identification Number:	72135307



Company ID Number: 410274

North American Industry Classification Systems Code:	236
Administrator:	
Number of Employees:	1 to 4
Number of Sites Verified for:	1
Are you verifying for more than 1 site? If yes, please provide the number of sites verified for in each State:	
<ul style="list-style-type: none">• GEORGIA 1 site(s)	

Information relating to the Program Administrator(s) for your Company on policy questions or operational problems:

Name:	Ann Freeman	Fax Number:	(678) 324 - 5561
Telephone Number:	(678) 324 - 5554		
E-mail Address:	afreeman@tbgresidential.com		
Name:	Mike Brandt	Fax Number:	(678) 324 - 5561
Telephone Number:	(678) 324 - 5552		
E-mail Address:	mbrandt@tbgresidential.com		
Name:	Amelia R Johnson	Fax Number:	(678) 324 - 5561
Telephone Number:	(678) 324 - 5556		
E-mail Address:	ajohnson@tbgresidential.com		

**OWNER, DEVELOPER & GENERAL CONTRACTOR AFFIDAVIT AND
AGREEMENT**

By executing this affidavit, the undersigned participant in a HOME Investment Partnership Program ("HOME") project administered by the City of Huntsville, Alabama acting by and through its Community Development Division states affirmatively that the individual, firm or corporation has registered with and is participating in a federal work authorization program. The undersigned further agrees that, should it employ or contract with any subcontractor(s) in connection with the physical performance of services pursuant to this project, the undersigned will secure from subcontractor(s) similar verification of its participation in a federal work authorization program. The undersigned further agrees to maintain records of such compliance and upon request provide a copy of each subcontractor verification to the Community Development Division of the City of Huntsville, Alabama.

OWNER:

FRANKLIN HILLS, L.P.

By: Franklin Housing LLC

Its: General Partner

By: Neighborhood Concepts, Inc.

Its: Managing Member



Mary Ellen Judah, Executive Director

E-Verify User ID: 414988

GENERAL CONTRACTOR:

HUNTERS WALK HOMES, INC.

By: 

Kevin Buckner, President

E-Verify User ID: 410274

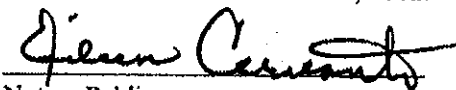
DEVELOPER:

MHL, INC.

By: 

Kevin Buckner, President

SUBSCRIBED AND SWORN BEFORE ME ON THIS THE 21st DAY OF FEBRUARY, 2012.



Notary Public

My Commission Expires: 3-12-14

